



USAID
FROM THE AMERICAN PEOPLE

MONGOLIA



Gobi Initiative Herder Clients Owned "Champion Breeding Ram and Buck from Uvurhangai Aimag"
Photo by Julie Fossler

PROJECT LOCATION:

Six Gobi *aimags*- Govi-Altai, Bayanhongor, Uvurhangai, Umnugovi, Dundgovi and Govi-sumber

PROJECT GOAL:

To develop and strengthen rural business in the Gobi region

PROJECT OBJECTIVES:

- An increase in the number of new and strengthened productive Gobi businesses
- An increase in availability, access to and use of business information by Gobi entrepreneurs

FUNDING PERIOD:

January 2004 - December 2008 (Phase II)

CONTACT ADDRESS:

Mercy Corps and Pact, Inc
24 Peace Avenue, Bayanzurkh District
Ulaanbaatar, Mongolia
Phone: +976-11-461-145
Email: postmaster@gobi.initiative.org.mn

PROJECT FOCUS:

- Supporting herder groups that are expanding and/or diversifying their business activities
- Supporting the development of herder cooperatives
- Supporting businesses that add value to herder products and link those products to markets
- Promoting rural business linkages to the financial services sector
- Improving the quality and accessibility of local business development and support services

MAJOR ACCOMPLISHMENTS FOR YEAR ONE OF PHASE II (2005):

Gobi Initiative (Phase II) had a very successful second year. A key component of the Phase II strategy is herder business diversification and expansion. Results from the second year of business plan implementation by the herder groups revealed that the majority of groups successfully implemented their business plans and generated significant sales. Another important result was that profitability and marketability of production did not seem to be a problem; whatever was produced was sold, and at prices that generated profits for the business.

- Sales revenue of MNT 1,843,055,652 (\$1,536,000) was generated by herder and non-herder businesses as a result of GI-provided assistance during 2005
- GI will work with approximately 170 herder clients in Year Three of the project. The majority of these herders have already developed their business plans
- Autumn market events in all GI *aimags* attracted 1,034 exhibitors from across the aimags and generated MNT 224 million (US\$ 200,000) in sales. The then Prime Minister of Mongolia, Ts. Elbegdorj and the US Ambassador led the official opening of the Dundgovi market event on the 24th of September and visited the market stalls, talking to exhibitors and sampling the products
- Through the end of Year Two, the provision of "additional cash collateral" for clients loan enabled 200 project clients to secure MNT 569,059,000 (US\$ 474,200) in affordable financing guaranteed under the complementary "Rural Agribusiness Support Program" funded by the US Department of Agriculture
- *Rural Business News (RBN)*, the project's primary business information dissemination product, began regular television programming, increasing the number of business readers, listeners and viewers to over 300'000

GOBI INITIATIVE



**Gobi Regional
Economic Growth Initiative**

